enterprises. As per the declared policy of the Government on disinvestment, all non-strategic PSUs can be disinvested, though the Government may continue the presence of public sector, as a countervailing force, where necessary, to prevent concentration of power in private hands. IPCL has already been disinvested on 4th June, 2002. There is no evidence so far that the disinvestment has resulted in abuse of market dominance. With respect to BPCL and HPCL, Government had decided in February, 2002 in principle' to disinvest in these companies with the modalities to be worked out through consultations between the different Ministries concerned. Modalities will be worked out in the coming weeks.

Post-closure settlement of BALCO

1822. SHRI JIBON ROY: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that Rs. 12.64 crores have been paid to M/s Hindustan Lever Ltd. as post-closure settlement; and

(b) whether it is also a fact that M/s Sterlite is also claiming Rs. 16.72 crores as post-closure settlement of BALCO?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Yes, Sir. Financial bid of M/s Hindustan Lever Ltd. (HLL) for acquiring 74% Government equity in Modern Food Industries (India) Ltd. (MFIL) was based on the audited accounts of MFIL for the year ended 31-3-1999. The Share Purchase Agreement between the Government and HLL was executed on 31-1-2000. It provided for post-closing adjustments in the following manner:—

(i) If the Closing Date Net Working Capital Amount is greater than the 1999 Net Working Capital Amount, the Purchaser shall pay the Government an amount equal to the difference between the Closing Date Net Working Capital Amount and the 1999 Net Working Capital Amount multiplied by 0.74. If the 1999 Net Working Capital Amount is greater than the closing Date Net Working Capital Account, the Government shall pay the Purchaser equal to the difference between the 1999 Net Working Capital Amount and the Closing Date Net Working Capital Amount multiplied by 0.74.

(ii) If the Closing Date Debt Amount is greater than the 1999 Debt Amount, the Government shall pay the Purchaser an amount equal to the difference between the Closing Date Debt Amount and the 1999 Debt Amount multiplied by 0.74. If the 1999 Debt Amount is greater than the Closing Date Debt Amount, the Purchaser shall pay the Government an amount equal to the difference between the 1999 Debt Amount and the Closing Date Debt Amount multiplied by 0.74.

(b) The post-closure audit of BALCO has not yet been finalised.

Change in disinvestment policy

1823. SHRI P. PRABHAKAR REDDY: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government's attention has been drawn to the on-going public debate on the need to proceed cautiously with regard to the disinvestment programme particularly in respect of the profit-making public sector units;

(b) if so, Government's reaction thereto;

(c) whether there is any proposal for change in the disinvestment policy; and

(d) if so, the details thereof?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Yes, Sir.

(b) The disinvestment policy does not distinguish between profit-making or loss-making PSUs. All non-strategic PSUs are to be disinvested. The disinvestment of profitable PSUs will strengthen the national economy and provide resources for development.

(c) Yes, Sir. There have been suggestions for a mid-course review.

(d) The object of disinvestment is to put national assets to optimal use and to unleash the productive potential inherent in public sector enterprises. As per the declared policy of the Government on disinvestment, all non-strategic PSUs can be disinvested, though the Government may continue the presence of public sector, as a countervailing force, where